

How PREMIUM BAKERY BRANDS ARE IMPACTING THE MARKET

Fastest growing bakery claims driving price premiums, plus **dollar** and **volume growth**:



LOW CARBOHYDRATES



GLUTEN FREE



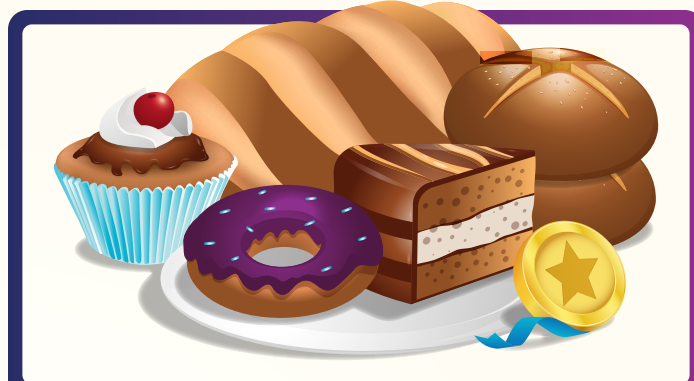
NON-GMO



CALORIES



NATURAL

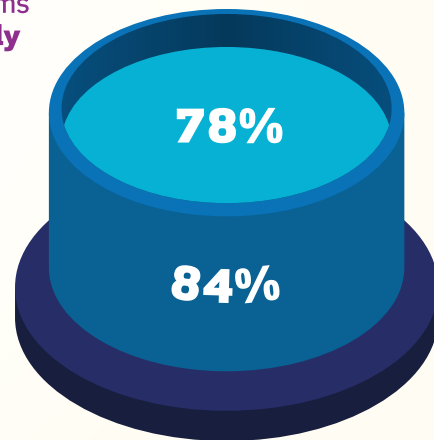


Premium bakery brands have **less price sensitivity** than Mainstream and Value bakery brands (which are much more reactive to price increases).

Source: IRI, Integrated Fresh Bakery Department, MULO, 52 Weeks ending 2/20/22

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- Over **84%** of consumers said they noticed an increase in prices for groceries and household items that they **regularly purchase**.
- And **78%** said this has made them consider **alternative brands**.



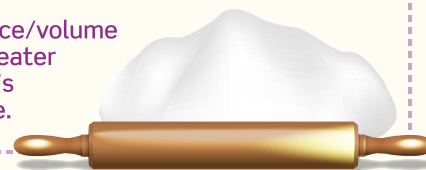
Source: Food Dive. Brand loyalty is eroding under supply chain and price pressures, survey finds, Inmar Survey Sept. 14, 2021

Definitions

PREMIUM: average price/volume of **at least 20%** or greater than the Product Group's average price/volume.

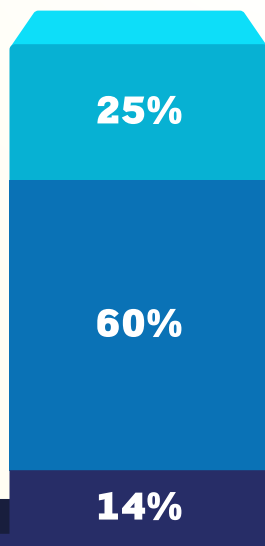
MAINSTREAM: average price/volume **within plus or minus 20%** of the Product Group's average price/volume.

VALUE: average price/volume **less than 20%** or greater of the Product Group's average price/volume.



Premium priced bakery brands are worth **25%** of the total **\$36 billion** bakery category's dollar volume.

CENTER BAKERY PRODUCT GROUPS BY PRICE SEGMENT



■ VALUE ■ MAINSTREAM ■ PREMIUM

Source: IRI, Integrated Fresh Bakery Department, MULO, 52 Weeks ending 2/20/22